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Main

SUNFLOWERSEED OUTPUT IN THE SOVIET UNION

POLAND'S STATE FARMS

DENMARK'S FOOD SHOPS

JUL 14 1967

FOREIGN AGRICULTURE

Including FOREIGN CROPS AND MARKETS

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Including FOREIGN CROPS AND MARKETS

JULY 10, 1967

VOLUME V • NUMBER 28

A sunflower decorates the cover of FOREIGN AGRICULTURE this week. Sunflowerseed—grown largely in the USSR—is increasingly competitive with U.S. oilseeds. See page 5 for story on the Soviet industry.

Contents

3 Poland Ponders Role of State Farms in Its Agriculture

4 World Bank, IDA Loans to Ecuador, Bolivia

5 Sunflowerseed in the USSR: Immigrant Crop That Made Good

6 Winter Vegetable Output Increases in Grain-Short Indian States

6 Japan Buying More U.S. Cotton

7 Target of Fall Trade Show—Japan's Developing Frozen Food Market

7 Some Predictions of Future World Feedgrain Use

8 Denmark's Small Food Shops Survive Supermarket Spread

10-12 World Crops and Markets (Commodity Index on page 12)

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Poland Ponders Role of State Farms in Its Agriculture

This Communist country hopes to achieve its long-range collectivization goal by building up state farms; but private farms still lead in output.

The future of state farms (PGR's) in Poland was the central issue of the Third National Congress of State Farm Workers this spring in Warsaw—the first such gathering since 1954. The question is a crucial one for the Polish Government.

Having opted in the mid-fifties for gradual rather than immediate collectivization—like Yugoslavia, but unlike all other Communist countries—Poland has come face to face with a serious dilemma. With the urgent need of increasing farm production, the Polish Government must move in one of two directions—either to liberalize conditions for private farms or to strengthen the state farms and expand their role in production.

Probably the most meaningful aspect of the congress is its strong indication that despite past concessions to private farmers, the government is still strongly motivated to support the state farms and to press their development.

The nature of Poland's agricultural dilemma

Most Polish farms are still private, accounting for about 85 percent of the arable area and an even larger proportion of the livestock. But, since the long-run goal of the government is complete collectivization, the private farms must labor under various restrictions that keep them from developing into viable farm units. They are small, poorly capitalized and financed, lacking in equipment and fertilizer, and unable to increase specialization or efficiency. The difficulties placed in the way of this dominant farm sector greatly limited the growth of Poland's agricultural output, especially in the first third of the 1960's.

With collective farms still an insignificant part of Poland's farm scene, it has been the state farms that the government has relied upon to serve as examples of farm efficiency and productivity and attract people to the "benefits of Communism." To help them do this, it has favored them with large doses of capital, machinery, fertilizer, and other inputs. Yet their performance thus far has been relatively poor and often unprofitable.

What the congress discussed

The recent congress brought together more than 600 leading workers, foremen, mechanics, agronomists, and managers from 6,515 PGR's (those directed by the Ministry of Agriculture). These workers joined in candid discussions with local officials from all over Poland and with important figures of the Polish Government and the Polish United Workers' Party (PZPR). These discussions, as well as the major speeches, looked backward to the problems and deficiencies of the PGR's during their first 20 years and forward to their responsibilities under the current Five-Year Plan (which ends in 1970).

The two main speakers—Wladyslaw Gomulka, First Secretary of the PZPR, and Mieczyslaw Jagielski, Minister of Agriculture—emphasized, both by their presence and by what they said, the great importance attached by the government and the Party to successful operation of the PGR system.

Both speakers stressed the importance of raising more grain, and Minister Jagielski urged the PGR's to concentrate on a rapid increase in their production of marketable grain. This would require a rise of 15 percent in yields by 1970, to be achieved by such methods as stepped-up inputs of chemical fertilizer; increases in mechanical horsepower through more and larger tractors, combines, and straw pickup balers; careful selection of varieties; and the use of the best land for the highest yielding grain crops such as wheat and barley rather than for the lower yielding grains like rye and oats.

The Minister felt that reducing the rye and oats area alone could increase the marketable production of grains by 40,000 metric tons. In addition, about 750,000 acres scheduled to be taken over from the State Land Fund during the current Five-Year Plan period are to be used primarily for grain.

Secretary Gomulka reported that the state plans to increase its grain purchases to 7 million tons by 1970, from 3 million in 1965. Of this quantity, however, the PGR's are at present slated to provide only 1.5 million tons—a mere 500,000 more than they provided in 1965.

Can the PGR's meet their grain targets?

The goal for the grain yield increase does not seem unreasonable on the surface. In 1965, average yields were close to the desired figure and for the cooperative farms had reached it already. The weakness is in rye, which has low yields on the PGR's but occupies more than 35 percent of their grain area. To shift enough wheat or barley into the rye areas to boost average yields will require not only high-yielding varieties but better and heavier soils which, if readily available, would probably already be under wheat or barley.

There must also be some concern over the fact that even though investment is more available for state farms (and is due to be raised 80 percent during the current Five-Year Plan), and fertilizer inputs have been twice those on private farms, yields are not normally much higher; at times, and for certain grains, they are even lower. And, though increased availability of tractors to the PGR's may reduce manpower requirements and permit more timely harvesting, it is not generally agreed that mechanization as such is important in raising yields.

Speakers criticize PGR weaknesses

Both speakers also placed heavy emphasis on the problem of "weak" PGR's, and both called for transferring the best organizers and managers to these farms. At present, it is the best PGR's that are drawing the services of these more highly skilled technicians and workers, through attractions like salaries and bonuses (recently introduced as

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Based on dispatches from Harold C. Champeau, U.S. Agricultural Attaché, Warsaw, Poland.

incentives), better housing, and the prestige of association with well-known and successful enterprises. To reverse this trend will require a considerable effort, including significant monetary and other enticements.

Yet the weakness of the PGR sector is a serious problem that will undoubtedly get much state attention. The record: Not until 1960-61 (the "economic year" July-June) did the sector as a whole show a profit—13 to 14 years after it was established. The next year too was profitable, but in 1962-63, PGR's slipped into the red again, and 1963-64 was questionable. With nearly half of these farms still deficit operations, there is cause for concern.

Some background on PGR's

State farms in Poland are expected to play an important role in the overall development of agriculture, not only in technical leadership and in direct production but also in service to the large private sector. They supply private farms with selected seeds and seed potatoes and with breeding stock, including cattle, swine, horses, and poultry; they also carry on research and practical training.

Poland and Yugoslavia are the only two Communist countries that still have large proportions of their arable land occupied by private farms. In Poland, the private sector's percentage is 85.3. The PGR's had only 12.8; collective farms 1.1; and state farms operated by agencies other than the Ministry of Agriculture and agricultural circles engaged in collective farming, 0.4 each.

In 1965, the PGR's contributed the following percentages of Poland's total production and livestock holdings: Wheat 17.5, rye 6.8, barley 21.2, oats 9.1, potatoes 6.9, sugarbeets 10.7, cattle 13.9, swine 11.0, sheep 13.7, horses 4.5, milk 10.8. They provided these considerably larger percentages, however, of the quantities purchased by the state: The four major grains 29.4, potatoes, 19.3, cattle (excluding calves) 17.6 (but swine only 5.8), milk 22.6.

In agricultural inputs the PGR's were ahead of the private sector. In 1965, they used 113.4 pounds of chemical fertilizer (in terms of nutrient content) per acre, compared with only 57 pounds on private and cooperative farms, and 140.5 pounds of lime per acre compared with 43. They had 44.5 percent of Poland's total tractor horsepower, whereas the agricultural circles (with even less arable area) had 31.8 percent and the private farms only 13.4. By the end of 1965, 97.9 percent of the farms in the PGR sector had some form of electricity; but of those in the private sector, only 75.4 percent.

State farms are due to expand

It appears that state farms will continue to expand in area, not only through the transfer of land from the State Land Fund, but increasingly through the direct acquisition of private farms which have ceased to be efficient or which have lost their manpower through the death or retirement of the owners. Secretary Gomulka said in his speech that private farms which are economically weak and growing poorer, primarily because of lack of manpower, will be taken over by state farms and their former owners given "appropriate living conditions."

This trend toward squeezing down the number of private farms is being accentuated by legislation. In 1963, a minimum of 8 hectares (about 20 acres) per private farm was set, thus preventing any further subdivision into smaller farms. This will greatly simplify future land transfers.

More directly important in breaking the continuity of private ownership is a law which prohibits the sale or donation of private farmland to "nonqualified" farmers, regardless of family relationship. For example, a farmer-owner's son is permitted to accept or buy the family farm only if he has farming experience or is a graduate of an agricultural school. This rather stringent requirement should guarantee continuity or even improvement in the efficiency and productivity of private farms, which is a major concern of the state. But it will also narrow the alternatives for successive ownership to the point where many private farms will become available, either directly or indirectly, for consolidation into PGR's.

It is apparent, however, that given the state farm sector's relatively small share of total production and its limited area in Poland, improvements—even major ones—in that sector will not bring about any quick improvement in Polish agricultural performance. For total output to increase importantly, something must be done for the private sector. Of the total planned 1970 government grain purchases of 7 million tons, 5.5 million will have to come from private farms. Some measures to ease the restrictions on private farms and facilitate production on them are contained in the present plan for 1966-70, but these farms are still heavily restricted.

In a broader context, the efforts of the Polish Government in the coming years will have great significance for all of Eastern Europe. These countries all faced difficulties in expanding their agricultural output during the early sixties and all have now undertaken programs designed to improve the performance of agriculture and raise output. However, only Poland and Yugoslavia are doing so with a large private farm sector, for the others are more or less fully collectivized. Success or failure in the present Polish experiment cannot help but have an impact upon the policies of the other countries.

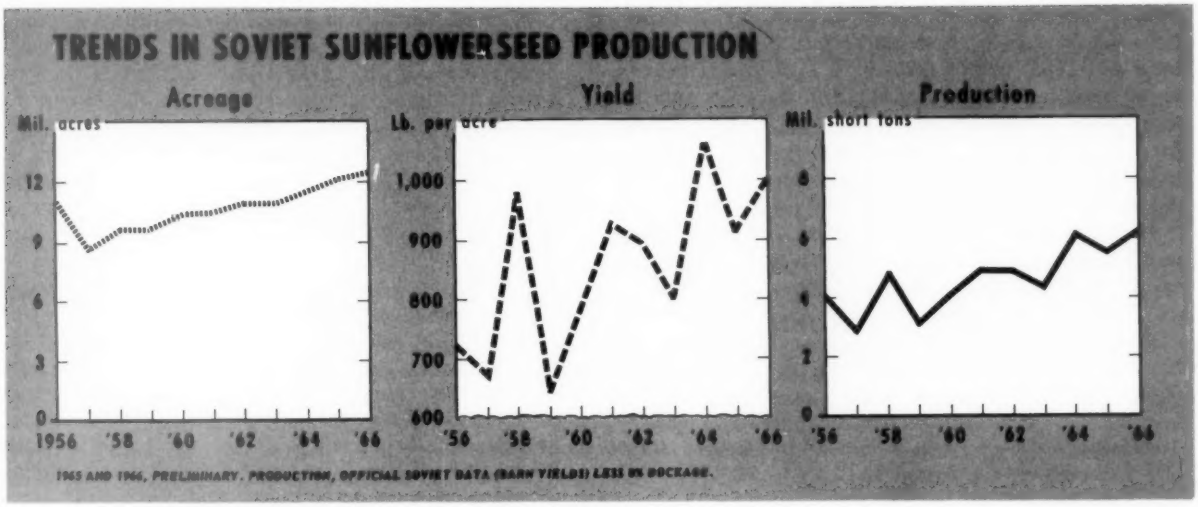
World Bank, IDA Loans to Ecuador, Bolivia

The World Bank and the International Development Association (IDA) recently awarded loans totaling $6 million to Ecuador and Bolivia for livestock development.

Ecuador—recipient of a $4-million loan from the World Bank—has great potential for expanding herds, increasing productivity of its beef cattle, and putting up to 1.2 million more acres into pasture. The Bank loan, plus another $2.8 million from local banks and farmers, will make possible credits to some 240 ranchers for investment in land clearance, pasture renovation, fencing, water supplies, yards, dips, farm machinery, and high-quality breeding stock. Goal is for cattle numbers on each participating farm to more than double in 12 years and for net profit per farm to rise eightfold.

A $2-million IDA credit will bring similar improvements in Bolivia's Department of Beni, which has an immediate potential for livestock production, as well as better marketing facilities than the other regions. The typical ranch here will have about 600 head of cattle and some 10,000 acres of pastureland. Bolivia hopes that increased beef exports will lessen its dependence on minerals as foreign exchange earners.

Total cost of Bolivia's project is estimated at $4 million, with the IDA credit supplemented by $1.5 million from Banco Agricola and the balance from farmers.



Sunflowerseed in the USSR: Immigrant Crop That Made Good

Nature is truly cosmopolitan, and one of the welcome immigrants to Europe was the New World plant, the sunflower. In its native land, the sunflower is so unimportant that it isn't even listed in the index of the United States Agricultural Statistics. But in the Soviet Union, it is the major oilseed and one of the top agricultural gainers of the past decade.

The why of the sunflower's importance in the Soviet Union is clear.

Climatically, the plant is well adapted to the often harsh growing conditions of the Soviet Union's European region. It can grow where the temperature is relatively low during the growing season, and it is more frost-resistant than corn and many other plants. As a native of the Great Plains of North America, it is less demanding in its moisture requirements than either soybeans or corn and is capable of withstanding droughty spells.

Secondly, the Soviets have done outstanding selection and breeding work with sunflowers and have achieved impressive successes in developing varieties that are high in yield and oil content. While many Soviet plant scientists have been associated with these achievements, the outstanding name in Soviet sunflower breeding is Academician V. S. Pustovoit of the All-Union Research Institute of Oilseed Crops at Krasnodar.

Output passes 5-million-ton mark

The work of Pustovoit and other scientists, plus the value of sunflowerseed as a foreign exchange earner, formed the basis for fantastic gains in the country's production. From an average of 2.96 million short tons in 1952-56, sunflowerseed production surged upward. The 5-million-ton mark—long a seemingly impenetrable barrier—was broken in 1964 as output jumped to 6.1 million. Since then, production has remained high, while 1965 production fell somewhat below the 6-million-ton level, 1966 production was at the record level of 6.2 million.

Both yields and plantings increased during this time, but far the greatest gain occurred in yields. Comparisons of the 1952-56 and 1962-66 averages, for instance, show that average yields rose by slightly over 60 percent, while area climbed 14 percent.

Oil production spirals upward

Increased sunflowerseed production naturally led to significant gains in the quantity of sunflowerseed oil produced. In fact, the upward trend in oil is even sharper than that of seed, because of outstanding success in Soviet efforts to improve the oil content of sunflowerseeds. Officially claimed rates for extracting oil by presses and solvents rose by more than two-fifths between 1950 and 1965, as seen in the following percentages:

	Press extraction	*Solvent extraction*
1950	27.5	31.0
1955	31.8	35.4
1958	34.1	38.4
1960	36.1	40.2
1963	38.2	41.5
1964	38.7	42.5
1965	39.7	43.9

Work in this field continues, and the Soviets anticipate that they will have varieties available in the next few years with oil contents approaching 60 percent. Also responsible for raising the output of sunflowerseed oil has been the shift to processing increased quantities of the seed by the more efficient solvent extraction methods.

As a result of these various factors, output of oil has more than tripled the pre-1955 level.

Expanded consumption, exports

All of this expansion has served a dual purpose, allowing the country to increase its per capita consumption of vegetable oil and, at the same time, to export larger quan-

NOTE: All statistical data used are unofficial—that is, official Soviet data less 8 percent. This reduction is made because Soviet sunflowerseed production is measured at the combine "bunker," and no adjustment is made in the official statistics for variability in moisture content or dockage.

tities of both seed and oil. Per capita consumption, closely following production trends, more than doubled between 1950 and 1965, from 6 pounds to 15.7, and is forecast to rise another 40-46 percent by 1970. But even with this higher rate, consumers used only 1.8-1.9 million short tons of vegetable oil in 1966 out of a total production of more than 3.0 million. Thus, over a million tons of oil was available for industrial uses and for export.

The marked increase in Soviet production of sunflowerseed has been followed by development and expansion of exports as is seen in the following table:

SOVIET EXPORTS OF VEGTABLE OIL, SUNFLOWERSEED OIL, AND SUNFLOWERSEEDS

Year	Vegetable oil	Sunflowerseed oil	Sunflowerseed
	1,000	*1,000*	*1,000*
Average:	*short tons*	*short tons*	*short tons*
1955-59	59.1	(1)	57.6
1960-64	179.7	(1)	104.4
Annual:			
1963	285.4	261.5	108.7
1964	209.3	186.5	119.9
1965	266.9	243.8	92.3

[1]Not available.

Although official statistics are not available for 1966 or 1967, it is clear that the Soviet Union has continued to make sharp gains in its exports of seed and oil. And this year, according to foreign trade sources, the country has moved into Japan with a reported sale of some 95,000 short tons of seed. This seed, of course, would be competitive with U.S. soybeans in Japan. Other, more traditional, markets include Czechoslovakia and East Germany for the seed, and Czechoslovakia, Algeria, and the United Kingdom for the oil.

In short, the Soviet Union has exported some 200,000-300,000 tons of sunflowerseed oil annually, and there is little reason to anticipate any decrease. On the contrary, the availability of sunflowerseed oil for export will probably increase. This is not only because yields and oil content of sunflowerseeds will continue to rise, although probably at slower rates, but also because of increased availabilities of cottonseed oil, which will free additional quantities of sunflowerseed and oil for export.

The United States can, therefore, look to continued competition between sunflowerseed and soybean oil and there is good reason to believe that in future years this competition will intensify.

Winter Vegetable Output Increases in Grain-Short Indian States

Gains in production of quick-maturing vegetables in the Indian States of Bihar and Uttar Pradesh will help farm families obtain more food to substitute for rice. Rice and wheat crops in this area were cut sharply by the drought of late 1966, with Bihar alone having a foodgrain deficit of 3 million tons.

Rains—when they finally came—were too late for the grains but provided the soil moisture needed for winter vegetables. As a result, area planted in potatoes in Bihar and Uttar Pradesh during the rabi, or winter season, of 1966-67 climbed about 50 percent from the previous season's, and plantings of radishes, cauliflower, carrots, turnips, and other winter vegetables also rose sharply. Harvesting of the root and vegetable crops, which is now underway, is expected to yield 2 million tons more than in the 1965-66 season.

Sharp gains in potatoes

Potato production in India has doubled since 1960, with farmers in Bihar and Uttar Pradesh leading the way. Total Indian production of potatoes is 3.5 million tons and 4.5 million when sweetpotatoes are included. The country's greatest need now is for higher yielding varieties of sweetpotatoes.

Output of cassava—another root crop—is estimated at about 3 million tons for 1967, or triple the 1950 level. Production of onions this year will also be up and may even exceed the 1.2 million tons harvested annually in the United States; India is one of the world's leading producers of this crop.

Behind this expansion in vegetable production are the State Governments of Bihar and Uttar Pradesh. The Bihar Government loaned farmers about $7 million for purchases of higher yielding wheat, pulses, and vegetable seeds.

Distribution of vegetable seeds by the National Seed Corporation in Uttar Pradesh increased from 161 long tons in 1966 to 979 in 1967, and 537 million vegetable seedlings were distributed this year, compared with 36 million last year.

Japan Buying More U.S. Cotton

A big rise in buying of U.S. cotton has boosted Japan's cotton imports thus far in 1966-67 well above those in the previous year.

At 926,000 bales (480 lb. net), Japanese imports of U.S. cotton in the first 9 months of 1966-67 (August-July) were 47 percent above the low level recorded in the 1965-66 period.

Benefiting from this buying surge, total cotton imports by Japan rose some 11 percent during the first 9 months to 2.6 million bales and may hit 3.5 million by season's end. This would be a gain of 11 percent from the 3.1 million imported in 1965-66 and of 3 percent from the 3.4 million for 1964-65. Of this total, 1.2 million bales are expected to come from the United States, against 800,000 and 1 million in the previous two seasons.

Major factors behind this improved marketing of U.S. cotton have been the more competitive U.S. prices, the relatively low level of Japan's beginning stocks, and an upturn in Japan's cotton consumption. In addition, there has been less competition from Mexico and Central America, where 1966 cotton harvests were generally poor.

One country besides the United States to register a gain this year is the USSR, which sold practically no cotton to Japan before 1964-65. Japanese cotton purchases from the USSR in the first 9 months of 1966-67 totaled 157,000 bales, compared with 50,000 and 7,000 in the 2 previous years. Much of the 1966-67 import is moving under an agreement between the two countries for Japan's purchase of 200,000 bales of cotton in exchange for greater access to the Soviet Union's manmade-fiber market. The Russian cotton is reported to be of good quality.

Target of Fall Trade Show—Japan's Developing Frozen Food Market

For 12 days this fall the U.S. frozen food industry will have a chance to tap its richest potential foreign market —Japan. The occasion will be a special promotion of frozen foods at the U.S. Trade Center in Tokyo, September 25 through October 6.

This first trade show ever held in the Far East exclusively for the promotion of frozen foods is being sponsored by the Foreign Agricultural Service. It is open to U.S. commercial frozen food processors, manufacturers, distributors, and their overseas agents and representatives. Firms that intend to participate must have their signed and completed agreements in the hands of FAS by August 4.

Japan is an almost untouched market for frozen foods. Its own frozen food industry is in its infancy, producing only about 1 percent as much as the United States. About two-thirds of the domestic pack is fish or other seafood.

To encourage the increased use of frozen foods the Japanese Government is working hard to develop a "cold chain" of refrigerated transportation and warehouse facilities throughout the country. The government also has a program of lending freezer facilities to retail shops.

To date the main Japanese consumers of frozen foods are hotels, restaurants, schools, hospitals, factories, and other institutions. Expensive restaurants—which abound in Japan and are well patronized—are a particularly promising market. These establishments generally feature Western-style meals and have adequate facilities for storing frozen foods.

Home consumption of frozen foods —now less than one-fifth of the total —should rise as home refrigeration increases. It is estimated that about three-fourths of Japanese homes have refrigerators today, compared with only 13 percent in 1961. Although most home refrigerators are small, they provide ample storage for frozen food because of the traditional once- or twice-a-day shopping pattern of Japanese housewives.

The situation for promoting all new foods in Japan has never been more favorable. Unemployment is low; wages are rising; many women are working outside the home; and more and more Japanese people are aware of the need for better balanced diets.

Japan, with only 15 percent of its land suitable for crops, imports about 30 percent of its food. The United States is its principal supplier.

Each firm that participates in the exhibit will be provided a booth free of charge. The booth will have an area of at least 36 square feet, freezer display space, shelves, and a space where products may be demonstrated, sampled, and actively promoted.

Each participant is urged to have a representative on the scene to attend its display fulltime. However, a special representation arrangement is being offered to firms unable to send a representative; only 15 firms can be accommodated by this arrangement.

The frozen foods of all participants will be demonstrated and sampled in a central kitchen, which will be supervised by a U.S. home economist.

This Tokyo promotion will be for the Japanese trade only. The trade center's large invitation lists will be used to reach importers, wholesale and retail tradesmen, and others. In addition, an extensive advertising and public relations program will be carried out to attract the trade to the exhibit.

A further crowd puller will be a frozen food seminar held at the trade center during the show.

Some Predictions of Future World Feedgrain Use

Clarence D. Palmby, *Executive Vice President, U.S. Feedgrains Council, recently outlined "What's Ahead On Feed Grains" in a speech to the American Feed Manufacturers Association. Some of his specific expectations are briefed here.*

- Over the next 15 years the volume of feedgrains traded in world commerce will increase at an even greater rate than in the past 15 years —when volume traded rose from less than 15 million metric tons a year to over 40 million.

- Worldwide, the volume of oats utilized by livestock will continue to decrease, and the barley crop will continue to increase. Barley production will increase rapidly in continental Europe. Grain sorghum production will continue to rise in countries other than the United States.

- Broiler production and consumption on the Continent will continue to increase each year as long as per capita income continues to be larger than the year before.

It is reasonable to predict that broilers in West European countries (including the United Kingdom and the area surrounding the Mediterranean) will use an additional 1 million metric tons of complete feed per year for the next several years.

- The amount of grain fed to cattle will increase on the continent of Europe as it already has in the United Kingdom. In the year ending last June 30, grain fed to cattle in the United Kingdom was 50 percent greater than it had been 4 years earlier.

Labor, availability of supply, and consumer demand have all figured in the increase. Feeding grain in lieu of forage crops, root crops, and the like results in a saving of labor. Barley produced in the United Kingdom has largely replaced pasture and hay crops. And, even though Europeans are sometimes reluctant to admit it, there is a growing appreciation for grain-fed beef.

- Turkey production—now a sizable industry in the United Kingdom, very small on the Continent, and nonexistent in Japan—will increase rapidly on the Continent. But it will be quite some time before there is any real production of turkeys in Japan.

- As livestock and poultry are produced on a more commercial basis over the world, utilization of grain and other feed ingredients will be more predictable.

- It is estimated that 2½ million more hogs will be slaughtered in the 12-month period beginning last April than were slaughtered in the previous 12 months—about a 3-percent increase. Rate of slaughterings in calendar year 1968 will exceed 1967 slaughterings by a somewhat greater margin, barring any great speedup in the spread of African swine cholera now sweeping through Italy.

Swine numbers are at an alltime high in Japan and carcasses are in surplus. Farrowings are destined to turn down but not drastically.

Denmark's Small Food Shops Survive Supermarket Spread

By ROBERT M. FEIST
Foreign Market Information Division
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Denmark's delightful "Mom-and-Pop" small shop, even though gradually giving way to the supermarket, will continue for many years to be a prominent part of the Danish retail food industry.

This prediction by Danish food trade experts is echoed by the man in the street.

Architecture, culture, and variety are some of the reasons advanced for the small shop's excellent chance of survival, although there is no question that the supermarket is taking on an increasingly important role. For instance, Irma, the largest privately owned retail food store chain in Denmark, with 175 units—45 supermarkets and 130 small shops—is confining its expansion program now exclusively to supermarkets.

On the other hand, Irma is not writing off the small shop in its future operating plans. It is presently engaged in an extensive remodeling program which will see the interior of every one of the chain's existing small stores renovated.

Let us examine some of the reasons why the corner market in Denmark has survived and its counterpart in the United States and many other Western nations has not.

Remodeling is expensive

A combination of architecture and economics affords the small shop in downtown Copenhagen relative security. With rare exceptions it would be economically unfeasible to buy an existing building in the center of the 800-year-old city and alter the interior of one or two of the lower floors for use as a supermarket, because of the nature of the construction.

These downtown buildings—most of which were built many decades and some even centuries ago—have low ceilings and are supported by closely spaced huge concrete pillars. Remodeling into a supermarket would require the solving of vexing construction problems which would also add greatly to the cost.

Although a lot of open space exists in the capital's core in the form of parks and lakes, there is absolutely no space available for new commercial construction. And the cost would be prohibitive to purchase an existing building in Copenhagen, raze it, and build a supermarket on the site.

This is why supermarkets are emerging almost entirely in Denmark's suburbs and in the outer fringes of cities, just as they primarily have in the United States. It is interesting to note that the Danish supermarket is at the same stage of development as the U.S. supermarket of about 10 years ago, and in many ways it is progressing along the same lines.

But there are differences too. A supermarket of 5,000 square feet of floor space is considered large in Denmark while one of comparable size here would fall into the small category. Most of our supermarkets are in the 10,000 to 42,000-square-feet floor-space range. Data show that U.S. supermarkets which were opened in the United States in 1965 averaged 20,000 square feet.

The 5,000-square-foot supermarket while small by our standards does a $30,000 a week gross. The Dane is known for his rich diet, one of the highest caloried in the world, and the retail food industry in Denmark is a brisk business. Even the tiniest of the Irma small shops, a corner market of only 280 square feet, has a weekly gross of $2,500.

While the U.S. supermarket stocks an average of 8,000 items, the Danish store carries 3,000 to 4,000, and those in the Irma chain only 1,050. Irma stocks only those items which have a rapid turnover.

Small shops, wider selection

Thus, ironically, a small shop in Denmark often offers a greater variety of a specific item than does the supermarket. For instance, the greengrocer may have several kinds of avocados for sale while the supermarket may offer only one kind or might not handle them at all. A supermarket's selection of meats will be limited in comparison with the numerous choices on display in a small Danish butcher shop.

Government regulations as well as merchandising methods help determine what products a food store chain in Denmark handles. The chain, for instance, is not allowed to sell milk, which has to be purchased from the small milk shops or other individually owned stores. The chain is forbidden to sell certain foods in specified areas where government officials fear competition from the larger stores would be ruinous for the business of an established small shop owner.

Operating hours set by the government make shopping habits in Denmark different from those in the United States. While many American shoppers do their food buying in the evenings and/or on Saturdays, in Denmark evening shopping is permitted only on Friday and stores must close at 2 p.m. Saturday. Government regulations, strictly enforced, fix store hours at 8:30 to 5:30 Monday through Thursday, 8 to 8 Friday, and 8 to 2 Saturday. No food stores other than those selling bakery goods only and/or candy may operate during any but the above established hours except during the Christmas season when closing time is set at 8 p.m.

Many shop both places

Shoppers' habits are making it possible for the small shop and the supermarket to coexist. Many Danes are buying their food in the small shops Monday through Thursday and then stocking their larders from the supermarkets during the weekend.

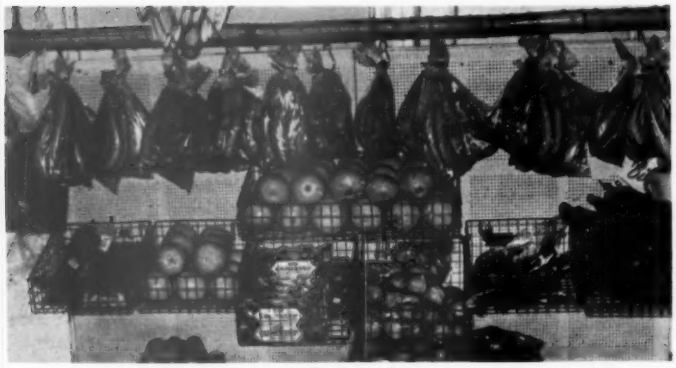
Frozen and other convenience foods are finding an ever wider market in Denmark. Refrigeration is being installed in small shops and especially in supermarkets, making it possible for these retail outlets to carry a larger line of such foods.

Culture is playing a large part too in small shop-supermarket competition. For many Danish families, their purchasing from a certain shop is a long-standing matter of loyalty and habit. Generations of customers have bought products from the same store and no doubt this shopping system will continue.

Left and above, one of Copenhagen's Irma supermarkets and customers waiting for food tally at checkout.

Here's Where The Danes Do Their Grocery Shopping

Right, small wooden crates of a wide variety of fresh fruits and vegetables are offered by this outdoor stand; below, produce display at a supermarket.



Small corner store, below, is typical of those which meet the Danes' everyday food needs. Left, customer pays for purchases in one of Copenhagen's small Irma stores.

Meat Imports Subject to Quota Down in May

U.S. meat imports subject to provisions of the Meat Import Act (Public Law 88-482) totaled 51.5 million pounds in May 1967, down 1 percent from the same period a year earlier. Imports for the first 5 months of 1967, at 308.1 million pounds, were up 11 percent from the 276.4 million pounds for January-May 1966.

U.S. IMPORTS OF MEAT SUBJECT TO MEAT IMPORT LAW (P.L. 88-482)

Imports	May	January-May
	Million pounds	*Million pounds*
1967:		
Subject to Meat Import Law[1]	51.5	308.1
Total beef and veal[2]	56.9	333.8
Total red meat[3]	87.5	492.6
1966:		
Subject to Meat Import Law[1]	52.0	276.4
Total beef and veal[2]	52.8	289.6
Total red meat[3]	84.1	462.0
1965:		
Subject to Meat Import Law[1]	52.3	216.1
Total beef and veal[2]	61.8	242.8
Total red meat[3]	84.5	359.2

[1]Fresh, chilled, and frozen beef, veal, mutton, and goat meat. [2]All forms, including canned and preserved. [3]Total beef, veal, pork, lamb, mutton, and goat.

El Salvador Announces Bean, Rice Supports

El Salvador's National Supply Institute has recently announced support prices for beans and rice. Red and black bean prices will be supported at $7.49 per hundredweight, while the rice support price is $4.34 per hundredweight of rough rice. Both commodities will have to meet certain quality specifications. To be eligible for support, producers must register with the Institute and make sales offers to the Institute prior to August 31.

In its announcement, the National Supply Institute stated that the rice support level should stimulate further increases in rice production, thus eliminating the need for imports in 1967-68. Rice is considered an excellent crop for diversification purposes in the low-lying areas.

Bean production is being encouraged to offset the considerable deficit in supplies—about 50 percent is imported. In contrast with rough rice production, which increased sharply to 50,000 metric tons in 1966-67, bean output dropped to 15,642 metric tons from 16,546 in 1965-66.

Yugoslavia Increases Grain Storage Capacity

According to Yugoslav press reports, storage facilities for about 150,000 tons of grain—mainly wheat—will be completed in Yugoslavia by July 1967. During 1967 and 1968, the Federal Food Administration (FFA) and the Yugoslav Agricultural Bank plan to finance construction of additional storage facilities with a total capacity of 550,000 tons, including the 150,000 almost finished.

The storage facilities are expected to be completed prior to the wheat harvest in 1968. By that time, storage capacity should total about 2.4 million tons. The government plans to have storage for 3 million tons of grain by 1970.

Some new measures will be undertaken by the FFA and the grain trade to facilitate storing this year's large wheat crop. Currently, milling of wheat is being reduced by about 30 percent. This will reduce wheat flour stocks to 1 month's supply and permit remaining flour-storage space to be used for temporary wheat storage. In addition, during June 150,000 tons of wheat was to have been moved from the Voivodina—a big wheat growing area—to Slovenia and other nonwheat areas with storage facilities.

France Estimates Larger Feedgrain Crops

The French Ministry of Agriculture in its June 1 estimate has placed the 1967 barley crop at 7.8 million metric tons, 2 percent above the 1966 record. The 1967 barley acreage, at 6,581,000 acres, is up 1 percent.

The current French oats crop is estimated at 2.6 million tons, 5 percent above last year. Oats acreage also gained 1 percent, to 2,672,000 acres.

The June 1 estimate of sown area of corn for grain is 2,335,000 acres, 12 percent larger than last year's record.

Iran Moves To Increase Vegetable Oil Output

The Oilseed Development Company, established by importers and processors of vegetable oils, has been authorized by the Government of Iran to administer a national program for increasing domestic production of oilseeds and vegetable oils. The company was set up about a year ago as a cooperative for the promotion of domestic oilseeds as reported in *Foreign Agriculture*, May 16, 1966. Although the company will be financed by the government with funds provided by an import tax levied on vegetable oils, it will remain an independent, nongovernment organization.

Its purpose is threefold: (1) to supply much-needed vegetable oil to meet Iran's fast-growing domestic requirements; (2) to provide a steady supply of raw materials to the vegetable-oil processing industry; and (3) to check the outflow of foreign exchange by lessening Iran's need for large imports of vegetable oil.

The program provides for intensive research to determine the types of oilseeds suitable to Iran's climate and soil conditions. Oilseeds which show considerable promise are sunflowerseed, sesameseed, soybeans, peanuts, and safflowerseed. Technical aid to oilseed growers will be supplied by a competent staff. All marketing, transportation, and related services will be coordinated by the company. Crushing plants will be established, and vegetable oil, supplied to member industries.

Philippine Exports of Coconut Products

Registered exports of copra from the Philippines during May 1967 totaled 47,351 long tons, compared with 79,405 last year. Of the total, 15,350 tons moved to the United States, compared with 37,225 in May 1966.

Exports of coconut oil dropped to 10,390 long tons from 20,061 last May. Movements to the United States were 6,890 tons, compared with 13,581.

Cumulative Philippine exports of copra and coconut

oil during January-May 1967 amounted to 259,874 long tons (oil-equivalent basis)—25 percent below the 345,234 tons exported during the same 5 months a year ago. Although Philippine exports this year, on an oil-equivalent basis, will be below last year's record level, some upturn is anticipated in the last half of 1967. The expected increase is based on heavier rainfall than the below-average precipitation in the last half of 1965 and early months of 1966, resulting in increased production.

Desiccated coconut exports amounted to 3,955 short tons in May, with 2,923 moving to the United States. In the same month last year, total exports were 7,144 tons, with 6,544 going to the United States.

Sweden's Final Estimate of Oilseed Production

The final estimate of Sweden's oilseed production in 1966 has been released by the Central Bureau of Statistics. Total production, previously estimated at 92,800 metric tons, increased 6,000 tons to reach 98,800. Rapeseed showed a gain of 7,300 tons over the previous estimate, while white mustardseed declined 1,300.

Owing to extensive winter damage, the 1966 oilseed crop was small—less than half of the 1965 crop.

Prospects for the 1967 crop currently are very good. Seedings in the fall of 1966 were normal; winter damage did not exceed the average; and spring began earlier than usual in Sweden this year. Consequently, oilseed production in 1967 may approach the high level of 1965.

SWEDEN'S OILSEED PRODUCTION

Oilseed	1965	1966	
		Previous estimate	Final estimate
	1,000 metric tons	*1,000 metric tons*	*1,000 metric tons*
Winter rapeseed	158.4	48.7	52.8
Spring rapeseed	21.2	17.9	20.9
Winter turnip—rapeseed	33.5	13.6	13.4
Spring turnip—rapeseed	3.1	3.7	4.1
Total rapeseed	216.2	83.9	91.2
Mustardseed, white	12.2	8.8	7.5
Flaxseed	.2	.1	.1
Total	228.6	92.8	98.8

Central Bureau of Statistics, Stockholm.

Black Pepper Exports by India, Sarawak, Brazil

Black pepper exports from India rose during 1966, but those from Sarawak and Brazil were down from the high levels of 1965.

Indian exports last year climbed to a record 56.1 million pounds—a gain of 15 percent over the previous year. Eastern Europe and the USSR remained the most important markets, taking 45 percent of total shipments, compared with 40 percent the year before and 53 percent in 1964. The USSR was largest single importer of Indian pepper last year, taking 16.9 million pounds, followed by the United States with 12.6 million.

Sarawak's exports of black and white pepper fell 26 percent to 29.3 million pounds from the previous year's near record of 39.5 million. Well over 80 percent of the total export moved through Singapore.

Brazil's exports of pepper declined 14 percent below the 1964 record. Exports to the United States—a major recipient—also declined about 14 percent.

Free World Cotton Imports, Consumption Higher

Imports and use of cotton in selected foreign importing countries were higher in the current season than in the same months of 1965-66. Consumption increases were experienced only in Finland, Hong Kong, India, Italy, and Japan, but increases in these countries more than offset declines in other countries. Larger offtakes for the entire season are likely to be limited to the five countries mentioned above, as the textile industries in most other countries continue to be depressed with revival not expected before late autumn.

Cotton imports so far this season have generally been equal to or larger than mill consumption in the selected countries; thus, stocks which were at a critically low level in many countries at the beginning of the season have been maintained or increased. An important exception is Canada, where mill consumption exceeded raw cotton imports by 72,000 bales in the first 7 months of 1966-67.

COTTON IMPORTS AND CONSUMPTION IN PRINCIPAL FOREIGN FREE WORLD IMPORTING COUNTRIES[1]

[Bales of 480 pounds net]

Country	Reporting period	Imports		Consumption	
		'65-66	'66-67	'65-66	'66-67
		1,000 bales	*1,000 bales*	*1,000 bales*	*1,000 bales*
Austria	Aug.-Mar.	74	71	80	73
Belgium	Aug.-Jan.	190	178	173	166
Canada	Aug.-Feb.	250	188	275	260
Denmark	Aug.-Apr.	20	20	24	24
Finland	do.	52	58	57	63
France	Aug.-May	1,040	1,112	1,050	1,050
Germany, West	Aug.-Jan.	568	633	636	606
Hong Kong	Aug.-Mar.	400	511	427	500
India	Aug.-Jan.	206	107	2,484	2,579
Italy	Aug.-Feb.	521	696	528	642
Japan	Aug.-Apr.	2,281	2,573	2,362	2,385
Netherlands	Aug.-Mar.	208	259	223	223
Portugal	Aug.-Feb.	217	172	218	210
Sweden	Aug.-Mar.	64	58	65	59
Switzerland	do.	132	159	125	125
United Kingdom	Aug.-Apr.	711	654	783	707
Total		6,934	7,449	9,510	9,672

[1]Preliminary and partly estimated.

Swedish Cigarette Output, Sales Up

Swedish cigarette sales in 1966 rose to a record 8,713 million pieces, compared with 8,300 million in 1965.

With output of cigarettes in 1966 at 8,323 million pieces, and imports of 980 million, the total of cigarette availabilities was roughly 600 million pieces larger than sales. This indicates that a substantial buildup of manufactured cigarette stocks occurred during the year, presumably in anticipation of the March 1, 1967, tax increase.

The American-blended kind of cigarette represented about 92 percent of total output last year, with modified oriental accounting for the remainder. These percentages were about the same for 1965. Filter-tipped brands made up about 48 percent of the total output in 1966, compared with 38 percent in 1965 and 28 percent in 1964.

Output of other products in 1966 (with 1965 data in parentheses) was as follows: Cigars and cigarillos 313 million pieces (330 million), smoking tobacco 2.9 million pounds (3.0 million), snuff 5.7 million pounds (5.4 million), and chewing tobacco 33,000 pounds (42,000).

Total use of leaf tobacco and stems in Sweden's factories

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in 1966 was some 25.5 million pounds, of which leaf and stems of U.S. origin totaled 18.0 million, or 71 percent. This compares with 1965 use of U.S. leaf and stems at 16.4 million pounds, equal to 68 percent of total manufacturing requirements.

India's Tobacco Exports Drop Sharply

India's exports of unmanufactured tobacco in 1966 were only 78.5 million pounds—42 percent below the 136.2 million recorded in 1965. Flue-cured tobacco accounted for most of the drop.

Shipments of flue-cured tobacco totaled only 62.2 million pounds in 1966, compared with 114.6 million in 1965 and 135.9 million in 1964. The 1966 harvest of flue-cured was below that of the previous year because of reduced plantings and inadequate rainfall. In addition, the Soviet Union, which took 57 million pounds of Indian flue-cured in 1965, cut its purchases last year to less than 10 million pounds.

Major destinations for India's flue-cured in 1966, in millions of pounds, included the United Kingdom 30.4, the Soviet Union 9.5, East Germany 4.4, Japan 3.1, Belgium 2.4, and Hungary 2.1. The average price per pound of all flue-cured exports was equivalent to about 40 U.S. cents, compared with 35 cents in 1965.

INDIA'S FLUE-CURED TOBACCO EXPORTS

Destination	1964	1965	1966
	1,000 pounds	*1,000 pounds*	*1,000 pounds*
United Kingdom	33,376	33,204	30,447
Soviet Union	70,937	57,373	9,457
Germany, East	4,153	3,776	3,757
Japan	7,819	1,844	3,147
Malaysia[1]	1,940	2,085	2,497
Belgium	2,531	2,334	2,418
Hungary	2,306	390	2,051
Senegal	521	843	1,112
Netherlands	2,155	1,959	942
Nepal	279	180	840
France	663	220	769
Egypt	282	3,477	714
Others	8,970	6,877	4,023
Total	135,932	114,562	62,174

[1]Includes Singapore.

Zambian Flue-Cured Auctions

Auction sales of 1967-crop Zambian flue-cured tobacco opened at Lusaka on May 3. Sales through June 2 totaled 3,535,000 pounds at an average price equivalent to 67.7 U.S. cents per pound. For the full 1966 season, Lusaka auction sales totaled 13,821,000 pounds at an average of 42.5 cents per pound.

French Tobacco Product Imports

French imports of all tobacco products in 1966 were valued at $16.6 million, with purchases from the United States totaling $4.1 million, or nearly one-fourth of the overall value.

The United States, usually the largest source of imported cigarettes, was second (by volume) to the Netherlands in 1966. Imports from the United States were 1,543,000 pounds, valued at $3.6 million, while the Netherlands supplied 1,572,000 pounds with a value of $2.9 million. Other major sources of imported cigarettes last year included Belgium-Luxembourg, the United Kingdom, West Germany, and Italy.

WORLD CROPS AND MARKETS INDEX

Cotton
11 Free World Cotton Imports, Consumption Higher

Fats, Oilseeds, and Oils
10 Iran Moves To Increase Vegetable Oil Output
10 Philippine Exports of Coconut Products
11 Sweden's Final Estimate of Oilseed Production

Grains, Feeds, Pulses, and Seeds
10 El Salvador Announces Bean, Rice Supports
10 Yugoslavia Increases Grain Storage Capacity
10 France Estimates Larger Feedgrain Crops

Livestock and Meat Products
10 Meat Imports Subject to Quota Down in May

Sugar, Fibers, and Tropical Products
11 Black Pepper Exports by India, Sarawak, Brazil

Tobacco
11 Swedish Cigarette Output, Sales Up
12 India's Tobacco Exports Drop Sharply
12 Zambian Flue-Cured Auctions
12 French Tobacco Product Imports

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